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THE NATIONAL FOOD SITUATION

Total domestic supplies of most food products (production plus carry-over stocks) for the period July-June, 1939-40 are indicated to be well in line with those of the last two seasons and substantially above those of the year 1936-37 and the 1925-29 average (see table 1).

With bountiful supplies of feed crops available during the last several years, the production of livestock, dairy and poultry products has increased sharply and the supply of these food products probably will be plentiful in 1939-40.

Ample supplies of domestically produced edible fats and oils indicate that the need for imported kinds during the current year probably will be reduced materially below the relatively large import requirements of these fats and oils of recent years. Lard production is expected to be increased sharply and the total supply of other domestic fats and oils is likely to be fairly large.

The large wheat and rice crops in recent years have increased carry-over stocks which, together with about average crops this season, indicate ample supplies for all domestic requirements and surpluses for export.

Because of a relatively large fruit harvest this season, supplies of fruits and products are expected to be abundant. Vegetable production, particularly of those crops intended for commercial canning, potatoes and dry edible beans is indicated to be smaller than in recent years. In the case of canned vegetables and dry beans, however, unusually large carry-over stocks are expected to offset a large part of the deficiency in production. Supplies of fresh vegetables and of sweetpotatoes are expected to be plentiful.

Supplies available for domestic consumption

In order to determine the supplies of food products actually available for domestic consumption, however, it is necessary to deduct allowances for a normal carry-over at the end of the year, in the case of some commodities for requirements for feed and seed, and also for prospective exports. In table 2 are shown the food supplies available for domestic consumption in 1939-40, and comparisons with preceding years. In the last column are shown also the quantities available for domestic consumption and exports, which are not comparable with the figures shown in the other columns. The figures in this last column are included merely to show the quantities which would be available for domestic consumption if there were no exports in 1939-40.

In order to compare quantities now available with those in preceding years, it may be desirable also to make allowances for changes in population, since increases in the number of consumers have raised food requirements. Therefore, the figures in table 2 have been converted to a per capita basis and shown in table 3.

Per capita supplies ample

On a per capita basis, supplies of food products available for domestic use in 1939-40, after allowing for normal carry-over and probable exports, are indicated to be well in line with the disappearance in past years. Per capita supplies of meat, dairy and poultry products probably will be slightly below the 1925-29 average, but generally above those of recent years. Since exports of these three groups of food products in recent years have been at relatively low levels and are expected to continue so in the current marketing season, the total supplies indicated for domestic consumption and exports are not significantly different from that indicated for domestic consumption alone.

Although the supply of imported edible fats and oils is expected to be decreased materially in 1939-40, the relatively large supplies of domestically produced fats and oils probably will offset this decrease and provide a per capita supply for domestic use as large as in recent years. If probable exports of lard are also added to the supply indicated to be available for domestic consumption, the total of these fats and oils then available would be considerably larger than the per capita disappearance of any previous year.

The per capita disappearance of wheat for human consumption varies little from season to season. The United States ordinarily produces more than enough wheat for domestic requirements. Variations in production are reflected in changes in the quantities exported and carried over from one season to another. In 1939-40 the total supply of wheat available for human consumption in the United States and for export is substantially greater than ever used in any single year in the past. Rice supplies are abundant.

Fruit supplies are expected to be larger than usual on a per capita basis. The rapid increase in the production of fruit juices, particularly of grapefruit and pineapple juice in recent years, has resulted in a disappearance of canned fruits and juices much larger than in 1925-29. A decline in exports of dried fruits with little change in production has resulted in increased per capita supplies of these products available for domestic consumption in recent years. Production of a number of the dried fruits in recent years has been in excess of domestic consumption and is expected to continue so in 1939-40.

Increased per capita production and domestic disappearance of both fresh and canned vegetables, sweetpotatoes and dry edible beans in recent years over the 1925-29 average are indicated. On the other hand, the per capita use of potatoes is smaller than in 1925-29 and is expected to be relatively low in 1939-40 because of a smaller than average crop.

Meat supplies

Meat supplies during the remainder of 1939 and through 1940 will be larger than in any of the years since 1934, with most of the increase being in pork, and probably will be about as large as the average of 1928-32.

In most of the years from 1920 through 1934 the yearly per capita supply of meat going into domestic consumption ranged from 130 to 139 pounds. The feed shortage resulting from the drought of 1934 made it necessary to

reduce livestock production materially, especially hogs and grain-fed cattle, and in consequence meat consumption per capita in 1939 amounted to only 116 pounds as compared with nearly 134 pounds in the previous year.

Abundant feed crops in 1937 and 1938 caused hog producers to start expanding hog production, and as a result the total pig crop in 1938 was about 15 percent larger than that in 1937, and the 1939 crop is expected to be about as large as in any of the years from 1925 to 1933. Feed supplies for 1939-40 also will be abundant.

The increase in the 1938 pig crop is reflected in the increased slaughter of hogs in the 1938-39 marketing year ending September 30. Slaughter of hogs under Federal inspection during this year is expected to total about 40,000,000 head compared with 34,580,000 head in the previous year. Slaughter in the 1939-40 marketing year which begins October 1, is expected to total at least 47,000,000 hogs, thus bringing hog slaughter to the level which prevailed immediately prior to the drought years.

Cattle slaughter in the last 5 years has been relatively large as compared with that from 1928 to 1932. During the earlier period cattle were being held for herd expansion and this tended to reduce slaughter.

At the beginning of 1934 cattle numbers were the largest on record but the drought in that year resulted in a very large liquidation for slaughter and numbers in consequence were reduced materially. Continued large marketings in the subsequent years resulted in a further reduction in cattle numbers but at the beginning of 1939 numbers showed a slight upturn. Beef supplies thus far this year have been slightly smaller than a year earlier, but there are some indications that in the next 12 months they may exceed those of the previous year.

Dairy products

It seems probable that during the year 1939-40 the supply of dairy products will be considerably higher than the 1925-29 average, and even on a per capita basis somewhat higher than in the period 1925-29. It will be somewhat below the peak reached in 1938-39. Exports in recent years have amounted to less than 1 percent of production.

The downtrend in numbers of milk cows resulting from the droughts of 1934 and 1936 has been checked, and the number is now increasing. Variations in the production of dairy products result more from changes in feeding and handling practices than from changes in cow numbers. With feed supplies about average, there is no reason for expecting any shortage of dairy products.

Poultry and eggs

Supplies of both poultry and eggs during the 1939-40 season are expected to be larger than in 1938-39. Poultry supplies are expected to be about 8 percent larger while egg supplies may be less than 2 percent larger. The major increase in poultry receipts as compared with last year is expected to come during the fall and early winter of 1939. However, the expected larger storage stocks of frozen poultry on January 1, 1940 will make part of these increased receipts available during the spring of 1940. The increased egg supplies will probably be spread over the entire 1939-40 season. The large increase in turkey production will be a major factor in increasing supplies of all poultry meats.

Supplies of both poultry and eggs in the 1939-40 season are expected to be above the average from 1925-29. However, supplies per capita, particularly of eggs, will be considerably lower.

Edible fats and oils

Normally a surplus edible fat producing nation, the United States has imported food fats and oils on balance in recent years, due partly to the marked reduction in lard production resulting from the severe droughts of 1934 and 1936. However, lard production in 1939-40 will be at pre-drought levels. This together with an increase of approximately 500 million pounds in domestic soybean oil production since 1934, and current large stocks of food fats, will result in a net export surplus for food fats in 1939-40 of perhaps 250 million pounds. If net exports total that amount, about 6,800 million pounds of food fats would remain available for domestic consumption, without reducing stocks materially, compared with an actual consumption of approximately 6,680 million pounds in 1938-39.

Usually certain foreign vegetable oils and oilseeds are imported for food purposes, whereas animal fats, chiefly lard, are exported. Among the leading items imported are copra and coconut oil from the Philippines, palm oil from the Netherlands Indies and West Africa, and olive oil from the Mediterranean Basin. If sufficient shipping facilities are available at reasonable freight and insurance rates, it is probable that imports of foreign vegetable oils will continue in considerable volume, while exports of animal fats will be larger than the 250 million pound net export balance indicated above.

Although there apparently is a surplus of food fats in the United States this year, there is an import requirement for 400-500 million pounds of edible soap oils, including 300-400 million pounds of the lauric-acid oils (coconut, palm kernel, or babassu) necessary to insure quick-lathering properties in soap, and about 100 million pounds of hard fats of the tallow class, such as palm or whale oil.

Wheat

Wheat supplies in the United States in the year beginning July 1, 1939 are fully large enough to take care of domestic needs, export probabilities and a substantial carry-over at the end of the year. The quantity of wheat available for carry-over July 1, 1940 or for export during the year ending with that date is expected to be about 300 million bushels. If exports in 1939-40 should be as large as in the past 2 years, when they averaged about 100 million bushels, the carry-over July 1, 1940 would be about 200 million bushels. This is about double the average of the carry-over stocks in the 1924-28 period, before very large stocks began to accumulate, and only about 25 million bushels below the 1930-39 average, which includes 3 years when stocks were record high.

Rice

Rice supplies in the United States in the year beginning August 1939 are very large, although not quite as large as the record supplies of the past 2 years. The quantity available for carry-over in August 1940 or for export during the year ending at that time is expected to be about 360 million pounds of rice on a milled basis. During the 1925-29 period the carry-over averaged 102 million pounds.

Fruits

Total production of fruits in the United States in 1939 is indicated to be somewhat larger than a year earlier but slightly smaller than the record large crop in 1937. Larger crops of apples, apricots, cherries, cranberries, peaches and fresh plums and prunes are expected to offset slightly smaller crops of pears, grapes and citrus. The total tonnage of fruits produced in recent years has averaged considerably higher than in the 1925-29 period, largely because of the sharp increase in production of citrus and pears.

Although there has been an increase in recent years in the quantities of fruits used for commercial canning, particularly for the manufacture of canned fruit juices, the supply available for fresh consumption has also increased sharply. For the last half of 1939 and the first half of 1940 it is indicated that the supply of fruits available for fresh consumption is larger than last year and perhaps the largest on record. Some of the indicated production may not be harvested if market prices are unfavorable, however, in which event the actual supply available would be correspondingly less. Another possibility is that exports of fresh fruit may not amount to as much as now indicated, which might result in some increase over present estimates of quantities available for domestic consumption.

The total supply of canned fruits and fruit juices for 1939 is indicated to be about as large as that of recent years and because of the sharp increase in the output of canned fruit juices is much larger than for the average of 1925-29. The supply in 1939 appears to be adequate for normal consumption and exports and still provide a minimum normal trade carry-over at the end of the season.

In the case of dried fruits the total supply is indicated to be unusually large and unless an unusual export output develops there will be a larger than usual carry-over at the end of the marketing season. A number of the dried fruits have been in surplus supply in recent years and definite measures have been taken to relieve the situation.

Vegetables

The total output of truck crops for fresh market shipment in 1939 is indicated to be slightly smaller than in 1938 but larger than in any other recent year. It probably will be substantially larger than the average for 1925-29 and will be in ample supply even on a per capita basis. Potato production is likely to be smaller than in the last 2 years but slightly larger than the average for 1925-29. On a per capita basis the supply available for consumption probably will be slightly less than normal. In the case of sweetpotatoes a large crop is in prospect and supplies are expected to be more than ample for all requirements.

Although the pack of canned vegetables in 1939 is likely to be reduced materially from that of the last 2 years, large carry-over stocks tend to make up the deficiency in pack and the total supply available for consumption is expected to be well in line with that of recent years. Even on a per capita basis the quantity of canned vegetables available for consumption, due allowance being made for normal minimum trade carry-over, is near the unusually high level of recent years and about one-fifth greater than for the period 1925-29.

Because of a slight reduction in the acreage for harvest and smaller prospective yields per acre, the production of dry edible beans in 1939 is indicated to be somewhat smaller than last year. Carry-over stocks are relatively large but are about the same as in 1938. Thus, the total supply of beans available is about 3 million bags smaller than a year earlier, but adequate for all normal requirements. It is probable, however, that the carry-over into the 1940-41 season will be substantially reduced from the high levels prevailing in the last two seasons.

Sugar supplies ample

The Sugar Division of the Department of Agriculture has announced that supplies of sugar available for the United States are ample for all requirements of consumers.

The total stocks of sugar in the United States held by cane refiners and importers on July 31 aggregated 1,035,000 tons, as compared with 909,000 tons at the same time last year. In addition to these cane sugar stocks, beet sugar factories had 725,000 tons of sugar on hand as compared with 500,000 tons last year. Indications are that the sugar crops in the domestic areas are more than ample to meet their quotas. Furthermore, the ever normal granary principle has been applied to the sugar program so that ample reserves are available for marketing should it be found necessary to increase quotas. The total quantity of such reserves is estimated at 800,000 tons in the domestic areas. Large reserve supplies can also be obtained from Cuba and other Latin-American countries.

The Secretary of Agriculture is authorized, under the Sugar Act, to increase the quotas which the various areas, including foreign areas, may sell in the United States, in order to meet consumers' needs. Or if the occasion should arise, quotas may be suspended altogether.

Table 1 -

Summary of total food supplies[1] in the United States, 1939-40, with comparisons

Commodity	Unit	Average 1925-29	1936-37	1937-38	1938-39	Indicated 1939
Meats other than poultry[2]	Mil. lbs.	17,058	17,012	16,529	17,038	18,018
Poultry meats 2/	" "	2,410	2,447	2,311	2,409	2,600
Eggs 2/	" eggs	43,879	42,042	44,134	43,810	44,600
Milk & cheese in terms of whole milk 2/	Mil. lbs.	55,000	62,220	63,660	61,577	61,800
Butter 2/	" "	2,168	2,219	2,276	2,424	2,360
Lard 2/	" "	2,344	1,696	1,752	1,996	2,348
Other domestic edible fats & oils	" "	2,402	2,464	3,231	2,966	3,159
Imported edible fats & oils	" "	411	791	681	749	370
Wheat	Mil. bu.	955	769	959	1,084	986
Rice	Mil. lbs.	1,222	1,484	1,717	1,643	1,575
Fruits, fresh	Thousand tons	7,678	7,563	10,623	9,615	10,613
" , canned	Mil. cases of 24 No. 2's	63.4	100.7	108.5	103.5	103.2
" , dried	Thousand tons	639	623	736	777	803
Vegetables, fresh	" "	5,058	6,094	6,255	6,647	6,300
" , canned	Mil. cases of 24 No. 2's	88.6	106.2	127.0	122.6	108.2
Potatoes	Mil. bu.	349	332	394	372	357
Sweet potatoes	" "	61.7	64.1	75.1	76.6	78.6
Beans, dry	" bags	12.1	12.5	16.4	17.5	14.5

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1/ Production plus carry-over stocks at the beginning of the new crop year. Unofficial estimates are included where official estimates are not available.

2/ July - June production plus July 1 stocks.

Table 2
Summary of food supplies available for domestic consumption 1/
Indicated 1939-40 with comparisons

Commodity	Unit	Available for domestic consumption: 1925-1929 Average	1936-1937	1937-1938	1938-1939	1939-1940 2/ Indicated	1939-40 3/ Indicated for domestic consumption and exports
Meats other than poultry	Million pounds	16,391	16,368	16,075	16,505	17,400	17,515
Poultry meats	" "	2,356	2,370	2,258	2,342	2,530	2,530
Eggs	" eggs	38,827	37,269	40,458	39,843	40,600	40,600
Milk & cheese in terms of whole milk	" pounds	52,201	58,744	59,495	59,900	57,700	59,000
Butter	" "	2,064	2,136	2,155	2,292	2,250	2,250
Lard	" "	1,631	1,407	1,436	1,609	1,835	2,200
Other domestic edible fats & oils	" "	1,881	2,196	2,645	2,229	2,570	2,720
Imported edible fats & oils	" "	338	638	487	549	290	290
Wheat 4/	" bushels	504	506	499	506	508	689
Rice 4/	Million pounds	818	1,097	987	1,117	1,132	1,390
Fruits, fresh	1,000 tons	6,914	7,119	9,496	8,565	9,883	10,613
Fruits, canned	Million cases of 24 No. 2's	51.6	89.1	85.6	88.5	90.0	97.0
Fruits, dried	1,000 tons	318	330	370	357	390	703
Vegetables, fresh	" "	5,058	5,950	6,181	6,397	6,300	6,300
Vegetables, canned	Million cases of 24 No. 2's	74.5	99.7	111.0	101.0	100.0	100.0
Potatoes	Million bushels	294	280	334	312	300	300
Sweet potatoes	" "	50.6	52.6	61.9	62.9	64.0	64.0
Beans, dry 4/	" bags	10.2	10.3	12.3	13.3	12.0	12.0

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1/ In calculating the total supplies of the various classes of foods available for domestic consumption, no account was taken of the quantities which usually are lost or wasted in the marketing process and, therefore, these data should not be assumed to be actual consumption.

2/ Total supplies less estimated exports and probable carry-over into 1940-41. In the case of wheat, rice, potatoes, sweetpotatoes and dry edible beans, the quantities expected to be used for seed and feed are also deducted.

3/ Total supplies less a normal minimum carry-over into 1940-41. In the case of wheat, rice, potatoes, sweetpotatoes and dry edible beans, the quantities expected to be used for seed and feed are also deducted.

4/ Includes varying quantities shipped to non-contiguous territories.

Table 3
Summary of per capita 1/ food supplies available for domestic consumption, indicated 1939-40, with comparisons.

Commodity	Available for domestic consumption					1939-40 indicated for domestic consumption and exports 3/
	1925-29 average	1936-37	1937-38	1938-39	1939-40 indicated 2/	
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
Meats other than poultry	135.8	127.0	123.8	125.4	130.8	131.7
Poultry meats	19.8	18.4	17.4	17.8	19.0	19.0
Eggs	40.8	36.2	39.0	37.8	38.2	38.2
Milk and cheese in terms of whole milk	438.4	455.8	458.3	455.2	433.8	443.6
Butter	17.3	16.6	16.6	17.4	16.9	16.9
Lard	13.8	10.9	11.1	12.2	13.8	16.5
Other domestic edible fats and oils	15.8	17.0	20.4	16.9	19.3	20.4
Other imported edible fats and oils	2.8	5.0	3.8	4.2	2.2	2.2
Wheat 4/	254.0	235.6	230.6	230.7	229.2	310.8
Rice 4/	6.9	8.5	7.6	8.5	8.5	10.4
Fruits, fresh	116.1	110.5	146.3	130.2	148.6	159.6
Fruits, canned	13.0	20.8	19.8	20.2	20.3	21.9
Fruits, dried	5.3	5.1	5.7	5.4	5.9	10.6
Vegetables, fresh	85.0	92.3	95.2	97.2	94.7	94.7
Vegetables, canned	18.8	23.2	25.6	23.0	22.6	22.6
Potatoes	148.2	130.4	154.4	142.2	135.3	135.3
Sweetpotatoes	23.4	22.4	26.2	26.3	26.5	26.5
Beans, dry 4/	10.1	10.1	9.5	10.1	9.0	9.0

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1/ In calculating the per capita consumption of the various classes of foods, no account was taken of the quantities which usually are lost or wasted in the marketing processes, and, therefore, these data should not be assumed to be actual per capita consumption.

2/ Per capita total supplies less estimated exports and probable carry-over into 1940-41. In the case of wheat, rice, potatoes, sweetpotatoes and dry edible beans, the quantities expected to be used for seed and feed are also deducted.

3/ Per capita total supplies less a normal minimum carry-over into 1940-41. In the case of wheat, rice, potatoes, sweetpotatoes, and dry edible beans, the quantity expected to be used for seed and feed are also deducted.

4/ Includes varying quantities shipped to non-contiguous territories.